





## Memorandum

, Date: April 7, 1999

To: CALFED Policy Group

From: *Eugene Hochstetler*  
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Subject: CALFED Governance

### Summary

At the March meeting, Policy Group was provided a brief overview on governance. Stakeholders were invited to attend the meeting and present their concerns and views on governance. Policy Group requested that the governance issue be discussed at the next few meeting agendas to increase the Policy Group's understanding of the issues and options in order to include a conceptual governance proposal in the Draft EIS/R in June.

Although a decision on the long term structure has not been made at this point, legislation is expected and will likely take more than a year to be enacted. To provide for a smooth transition to implementation while the long term governance structure is established, CALFED is also proposing an interim governance structure.

### Action :

#### 1. Interim Governance

Concurrence: Policy Group is being asked for concurrence on the interim CALFED governance proposal.

#### 2. Long Term Governance

Concurrence: Staff will provide an overview on the development of a long-term governance structure. Policy Group will be asked for concurrence on the functions for an oversight entity.

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#### CALFED Agencies

**California**  
The Resources Agency  
Department of Fish and Game  
Department of Water Resources  
California Environmental Protection Agency  
State Water Resources Control Board

**Federal**  
Environmental Protection Agency  
Department of the Interior  
Fish and Wildlife Service  
Bureau of Reclamation  
U.S. Army Corps of Engineers

Department of Agriculture  
Natural Resources Conservation Service  
Department of Commerce  
National Marine Fisheries Service

## Detailed Discussion

CALFED staff are in the process of developing interim and long-term governance structures to oversee and manage the entire CALFED program, and to manage and implement each of the program elements (ecosystem, levees, water quality, etc... ). *Attachment 1* provides a simple display of the complexity and scope of the governance task.

### Interim Governance.

*Attachment 2* describes a proposal for interim CALFED governance. For the interim, we recommend the continuation of the Policy Group for overall CALFED oversight and coordination, and recommend the CALFED program staff serve as the lead for oversight and coordination of each program element. A basic principle of the interim proposal is that there would be no new legislation and no changes to existing authorities.

### Long Term Governance.

CALFED is in the process of identifying and evaluating the functions needed to effectively implement the CALFED Bay Delta program. *Attachment 3* provides a general summary of those functions in three categories:

- Oversight Functions
- Program Management Functions
- Direct Implementation Functions

While there are three categories of functions there may not be a need for three corresponding governance structures. There is no disagreement that oversight functions would be housed in an oversight entity. However there are different views of where the program management functions should reside.

For example, as listed in *Attachment 1*, there are numerous existing agencies with responsibility for and involvement in watershed management. In one case, the program management responsibilities of the CALFED watershed program may be appropriately housed in an oversight entity to provide more consolidated oversight. In another case the program management responsibilities may be appropriately housed in one of the existing agencies that could take the lead role. For each of the CALFED program elements, staff will review the existing agency authorities and the specific program functions before a long term governance structure can be proposed.

Proposed Oversight Functions. The oversight functions described in *Attachment 4* were presented to the BDAC Governance Workgroup in March. The Workgroup did not reach agreement on the oversight functions and will revised the issue at their April meeting. The primary issue that was raised at the Workgroup meeting was the level of authority an oversight

entity should have. Some stakeholders believe the oversight entity should provide guidance but not have approval authority over priorities and budgets. Guidance from the Policy Group is needed on the level of oversight authority and on the oversight functions listed below.

Ecosystem Functions and Governance Options. *Attachment 5* provides a summary of the ecosystem principles and functions that will guide the selection of an ecosystem governance structure. *Attachment 5* also provides a description of six options for ecosystem governance. These options have been expanded and revised from the March Policy Group meeting. Each option has been optimized to try to reflect the most effective structure to achieve the principles and functions.

An earlier version of these options was presented at the BDAC Governance Workgroup meeting. The workgroup did not make a final recommendation but indicated that Option 4 provided that most advantages for effective ecosystem implementation. These options will be presented at the April Workgroup meeting and the Workgroup will be asked to narrow the list of options to be further evaluated.

California Environmental Trust (CET) Expert Panel. The CET has received funding of \$200,000 to convene an expert panel to advise CALFED on ecosystem governance. The panel is not expected to be convened until June. Therefore a final recommendation on ecosystem governance will not be in the June draft. The BDAC workgroup has agreed to provide a recommendation on ecosystem governance to BDAC at their July meeting.

Attachments